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Workshop IV

The Care Infrastructure: Measuring Gaps and Identifying Funding Sources for Closing Them



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Measuring the Care Infrastructure: A State Level Indicator

Martha S. Jaimes & Saniya Jilani

Introduction



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- Project Objective & Motivation

- Developing a state level indicator for care infrastructure using demand and supply of care work

- Infrastructure

- Supply side focus is on paid time
- Relationship between the number of full-time equivalent (FTE) care workers and the people who need care (Paula Herrera-Idarraga, Martha S. Jaimes & Helena M. Hernandez, n.d)

- Data Source

- American Community Survey (ACS)
- 2002-2022

Measuring Care Infrastructure

Care Demand

Care Supply

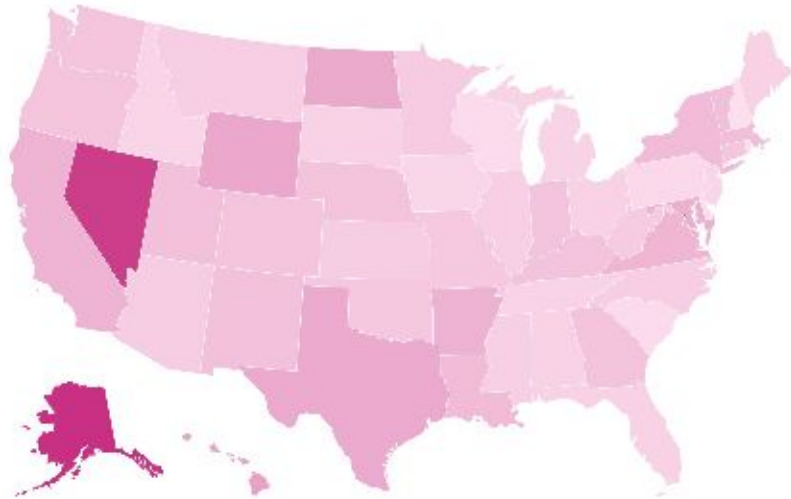
- Includes all individuals that may require assistance with their daily activities (i.e. potential demand)
 - Includes children under the age of 18
 - Elderly, aged 65 and above
 - Disabled people of all ages (based on ACS categories)
- Includes all occupations that enable provisioning of care work
 - Occupations grouped to match care demand categories
 - Examples of occupations include:
 - Primary teachers, Special education teachers, Registered nurses, Therapists, Social & community service managers

Indicator

- Employee hours divided by full time hours (FTE) per week
- For each category of care work
 - $FTE = \# \text{ hours all care workers (category of)} / 40$
 - $FTE \text{ ratio} = FTE / \text{demand} \times 100$
- Interpretation: “xx FTE care workers per 100 people who need care”

Elderly Indicator

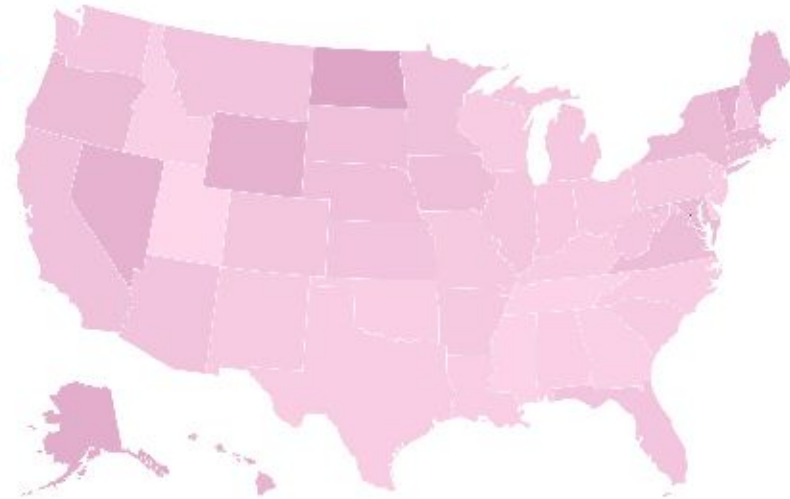
Year: 2022
3.12 23



Map: Author's own calculations based on ACS data 2022 • Created with Datawrapper

Childcare Indicator

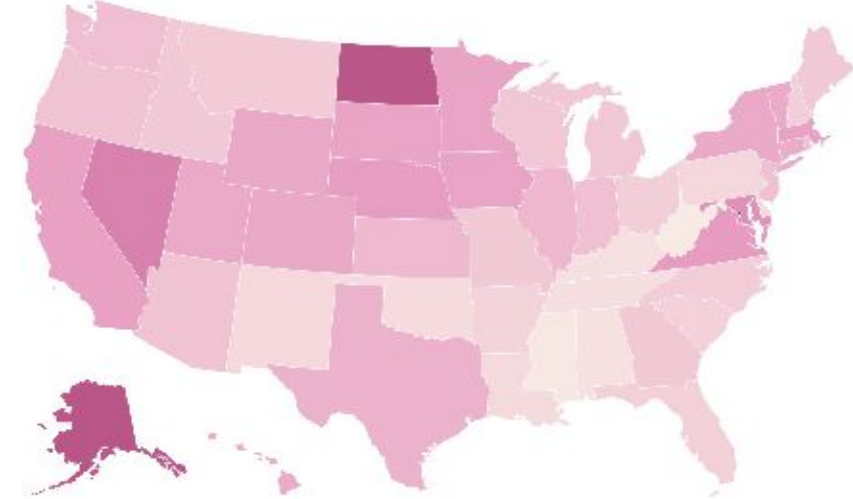
Year: 2022
2.71 15.35



Map: Author's own calculations based on ACS data 2022 • Created with Datawrapper

Disabled Indicator

Year: 2022
6.53 21.5



Map: Author's own calculations based on ACS data 2022 • Created with Datawrapper

Results

- Childcare: 2.71 FTE care workers to 15.35 FTE care workers (Utah, DC)
- Elderly care: 3.1 FTE care workers to 23 FTE care workers (Delaware, DC)
- Disabled care: 6.5 FTE care workers to 21.5 FTE care workers (West Virginia, Alaska)

Conclusion

- Developed an important indicator for care infrastructure
 - Provides state-by-state measure of available FTE care workers per 100 care demand individuals
 - Pivotal for understanding the current state of care provision and informing future policy matters
- Future extensions
 - Understanding reasons behind the change in care infrastructure over time and between states
 - More precise categorization of demand and supply sub-categories
 - Analyze w.r.t demographic composition of states



Better Jobs, Better Care: Building a Home Care Infrastructure

APRIL 5, 2024

July, 2020: Biden Plan to Create a 21st Century Caregiving and Education Workforce



“Once we are able to move from relief to recovery, Biden will make substantial investments in the infrastructure of care in our country — to make child care more affordable and accessible for working families, and to make it easier for aging relatives and loved ones with disabilities to have quality, affordable home- or community-based care.”

1. New funding (\$450 billion) “to give more people the choice to receive care at home or in supportive community situations,” eliminate wait lists, and enable states to expand access to HCBS.
2. Help consumers searching for care learn about their options and find a caregiver.
3. Grow the direct care workforce “by providing increased pay and benefits, and access to collective bargaining, training and education, and career ladders.”

American Rescue Plan Act of 2021

Section 9817: *Created option for states to receive enhanced Federal reimbursement as long as they spend it on activities to **“enhance, expand, or strengthen home and community-based services under the State Medicaid program.”***

- All 50 states took the option, resulting in \$37 billion in new support to state HCBS programs.
- Most funding--\$25 billion—went to activities to retain, expand, and train the direct care workforce (pay increases, training, etc), and all states undertook workforce initiatives.

Executive Order on Increasing Access to High-Quality Care and Supporting Caregivers

*" Consider rulemaking to **improve access to home- and community-based services** under Medicaid. As part of any such rulemaking, the Secretary shall consider taking steps to **support provider participation** in Medicaid home- and community-based programs." (Section (4)(a)(i))*

Proposed Medicaid Access rule requires states to:

- ❑ Ensure that "payment rates are adequate to ensure a sufficient direct care workforce to....provide access to services."
- ❑ Establish an advisory group that includes workers and consumers to "advise and consult on provider rates...where payments are made to the direct care workers."
- ❑ Develop and report on new access and quality metrics.

Executive Order on Increasing Access to High-Quality Care and Supporting Caregivers

*"Issue guidance to States on ways to use enhanced funding to **better connect home- and community-based workers** who provide services to Medicaid beneficiaries."
(Section (2)(a)(li))*

New Federal guidance encourages states to create direct care worker registries that:

- Support recruitment and retention of the home care workforce, and connect workers with training and other benefits; enable communications with this disaggregated workforce.
- Help consumers find caregivers and navigate the long-term care system, and support consumer-directed models of care.
- Collect data for monitoring access and quality and other activities to support access rule implementation.

Looking Ahead

- Huge gap remains between people who need care and available services.
- ARP funding was substantial but temporary; state budget challenges and the optional nature of HCBS will create tension.
- Need ongoing mechanisms for ensuring provider payments are adequate, dollars reach workers, and that states authorize the necessary funds.



Revenue to Fund Care Infrastructure

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Federal Level



Federal Level

Decades of big tax cuts for those who need it least:

- Corporate taxes
- Estate taxes
- Top individual rate



Federal Level

Where we can raise the \$:

- Corporate taxes
- Estate taxes
- Top individual rate
- Wealth



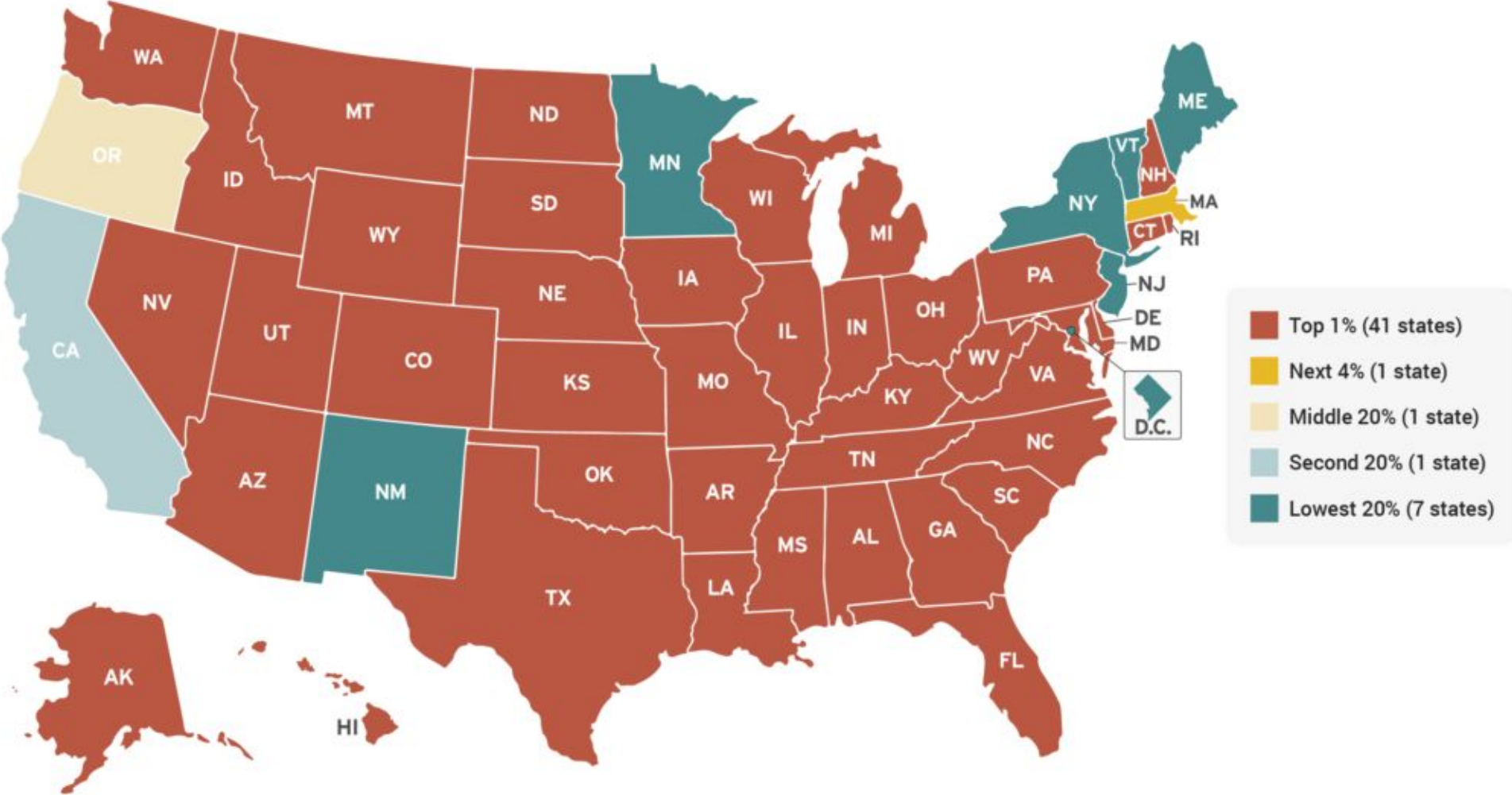
State Level

- Several waves of deep tax cuts across many states
- Most state tax systems are upside-down & regressive



Lowest-Tax Group Within Each State

The income group for whom state and local taxes, as a share of family income, are lowest



State Level

Where we can raise the \$:

Highly state-specific!



State Level

Red states:

- Prevent further cuts
- Close corporate loopholes
- Improve personal income tax



State Level

Blue states:

- Prevent further cuts
- Close corporate loopholes
- Improve personal income tax
- Wealth taxes
- Mansion taxes



State Examples







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Q&A

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